

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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Application of Southern California Gas Company  
(U 904 G) and San Diego Gas & Electric Company  
(U 902 G) for Authority to Revise their Natural Gas  
Rates Effective January 1, 2017 in this Triennial  
Cost Allocation Proceeding Phase 2

Application 15-07-014

(Filed July 8, 2015)

**MOTION OF  
SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) AND  
SAN DIEGO GAS & ELECTRIC COMPANY (U 902 G) TO STRIKE PORTIONS OF  
SOUTHERN CALIFORNIA GENERATION COALITION REPLY BRIEF**

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**Dated:** July 29, 2016

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Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) respectfully request that the Commission strike portions of the July 27, 2016 Reply Brief submitted by the Southern California Generation Coalition (SCGC). SoCalGas and SDG&E submit this motion on the grounds that certain material in SCGC's Reply Brief is outside the scope of permissible briefing.

**I. BACKGROUND**

In D.16-03-031, the Commission ordered SoCalGas to establish a new Aliso Canyon memorandum account:

This order requires Southern California Gas Company ("SoCalGas") to establish a memorandum account, effective immediately, to track its authorized revenue requirement and all revenues that SoCalGas receives for its normal, business-as-usual costs to own and operate the Aliso Canyon gas storage field. SoCalGas shall establish the memorandum account by submitting a Tier 2 advice letter within five business days from the effective date of this order. The Commission will determine at a later time whether, and to what extent, the authorized revenue requirement and revenues tracked by the memorandum account should be refunded to SoCalGas's customers with interest.<sup>1</sup>

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<sup>1</sup> D.16-03-031, mimeo., at 1.

The Commission (in D.16-03-031) and ALJ Kenney (at the conclusion of evidentiary hearings) gave parties the opportunity to provide *procedural* recommendations regarding the Aliso Canyon memorandum account in their briefs:

The briefs may address the matters identified in Decision 16-03-031. That decision states that parties may recommend in their briefs an appropriate procedure and timeframe for determining whether and to what extent the authorized revenue requirement and revenues tracked by the Aliso Canyon memo account should be refunded to SoCalGas customers.<sup>2</sup>

Neither the Commission nor ALJ Kenney gave parties the ability to make *substantive* arguments in their briefs with respect to the Aliso Canyon memorandum account.

## **II. SCGC’S SUBSTANTIVE ARGUMENTS ABOUT PERMISSIBLE ENTRIES TO THE ALISO CANYON MEMORANDUM ACCOUNT ARE OUTSIDE THE SCOPE OF PERMISSIBLE BRIEFING**

SCGC’s Reply Brief is split into two primary sections (along with a short lead-in and a conclusion). Section II of SCGC’s Reply Brief contains recommendations regarding the procedure and timeframe for determining whether and to what extent the authorized revenue requirement and revenues tracked by the Aliso Canyon memo account should be refunded to SoCalGas customers.<sup>3</sup> Although SoCalGas and SDG&E do not agree with everything SCGC says in this section, SCGC’s arguments regarding procedure and timeframe are within the permissible scope of briefing, and they are not the subject of this current motion to strike.

Section I of SCGC’s Reply Brief presents substantive arguments about what entries to the Aliso Canyon memorandum account should and should not be allowed.<sup>4</sup> This is a substantive issue that is outside the permissible scope of briefing. It would not be fair to allow SCGC to brief issues other than those specified by ALJ Kenney at the conclusion of hearings. One party should not be able to address issues that other parties cannot. Moreover, the question of what entries are appropriate for this account is already the subject of a SoCalGas advice filing (Advice

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<sup>2</sup> Tr. at p. 261, lines 9-17 (ALJ Kenney).

<sup>3</sup> SCGC Reply Brief at 4-6.

<sup>4</sup> SCGC Reply Brief at 2-4.

Letter 4940), a July 11, 2016 letter order from the Energy Division, and a supplemental SoCalGas advice filing (Advice Letter 4940-A). It would not make sense for the Commission to consider this issue in the context of a Phase 2 decision when the Energy Division is already fully engaged with it now.

### III. CONCLUSION

For these reasons, SoCalGas and SDG&E respectfully request that the Commission strike the following portions of SCGC's Reply Brief.

- The sentence on page 2 (in the un-numbered lead-in discussion) that reads: "SCGC submits this reply brief to clarify the amounts that should be recorded in the ACRMA."
- All of Section I (pp. 2-4).
- All of Attachment A. (pp. 7-10).
- All of Attachment B. (pp. 11-13).
- The following language from SCGC's Conclusion: "For the reasons set forth above, SCGC recommends ~~that the Commission continue to require in its decision in this proceeding that only Aliso Canyon-related revenues and not Aliso Canyon "actual costs" be recorded in the ACRMA and~~ that the refunding of the revenues recorded in the ACRMA be considered in the investigatory proceeding that would commence after the SED issues its report on the root causes for the Aliso Canyon leak."

Respectfully submitted,

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